Office of the Controller Policy 16 Vendor Terms and Conditions of Payment

The University of North Carolina at Greensboro
Approved by Paul Forte, Interim AVC for Finance, November 30, 2021
Revised November 30, 2021

1. Purpose

This policy sets forth the protocols and requirements for paying vendors, service providers, and other external parties.

2. Scope

To generate cost savings and increase efficiencies, the University is implementing payment method strategies that will shift away from the primary payment method of issuing checks to vendors to electronic payment methods that involve payments by credit card technology and electronic payments directly to the vendor’s bank account (ACH).

3. Definitions and Roles and Responsibilities

3.1 Definitions

- ePayables – electronic payment method via credit card technology
- ACH – electronic payments directly to a bank account

4. Policy

4.1 Policy

The University will standardize on the following payment methods and the standard payment terms that are assigned based on the payment method (unless an early payment discount applies).

<table>
<thead>
<tr>
<th>Payment Method</th>
<th>Default Payment Terms</th>
</tr>
</thead>
<tbody>
<tr>
<td>ePayable</td>
<td>Net 15 (Payable in 15 Days)</td>
</tr>
<tr>
<td>ACH</td>
<td>Net 30 (Payable in 30 Days)</td>
</tr>
<tr>
<td>AP Paper Checks</td>
<td>Net 45 (Payable in 45 Days)</td>
</tr>
</tbody>
</table>
4.2 Payment Term Exceptions

When a supplier offers an early payment discount to the university, Accounts Payable will take advantage of the prompt payment discount terms when processing the invoice. In limited instances, the Accounts Payable Manager may authorize more expeditious payment terms.

4.3 Invoice Requirements

Vendor invoices must be submitted by electronic portal within Jaggaer Invoicing (SpartanMart) or emailed to acctpay@uncg.edu within 30 days of completion of the work or delivery of goods.

All invoices must be legible, in English, and include:
- Vendor Name and Contact Information
- Remit to Address
- Invoice Number
- Invoice Date
- Detail of Work Performed (as agreed upon)
- Breakdown of Charges
- Total Amount Due

4.4 Prepayment

Prepayment for goods and services are not allowed. Full payment will be made after the actual receipt of goods or the completion of services. However, a deposit can be processed for purchases involving high dollar transactions with approval from Procurement Services and Accounts Payable Manager.

Link to website: https://fsv.uncg.edu/information/forms/calculator/

4.5 Additional Fees

The university does not authorize payments for credit card fees nor late fees.

5. Compliance and Enforcement

The University Controller’s Office is responsible for ensuring compliance with this policy.
6. **Additional Information Year End Reporting and Compliance**

The IRS form 1099 reporting is used to report miscellaneous income for individuals and companies who have been paid $600.00 or more in non-employee service payments during a calendar year with the exceptions of royalty payments of $10.00 or more. The IRS form 1099 reporting is done on the required tax forms and is determined by the vendor’s application and exempt status. Categories currently being reported on a yearly basis to the IRS are:

- Medical and Health Services
- Non-employee Compensation Services
- Rents
- Royalties

6.2 **Approval Authority**

This policy should be approved by the Interim Associate Vice Chancellor for Finance.

6.3 **Contacts for Additional Information and Reporting**

- Responsible Executive: Mandy Nash, Assistant Controller for Operations, (336) 334-5180, awnash@uncg.edu
- Responsible Administrator: Robin Jones, Accounts Payable Manager, (336) 334-5740, r_jones5@uncg.edu